

## COMMON CHANGE IN STATUS EVENTS

	Medical Expense Reimbursement Account	Dependent Care Reimbursement Account
<b>Change In Your Legal Marital Status:</b> (Marriage; death of spouse; divorce; legal separation; and annulment)	<ul style="list-style-type: none"> <li>• <b>If you marry</b>, you may increase your election when a family member is added; or cease or decrease your election if: (i) you, your spouse or dependents become eligible under your new spouse's employer's medical expense account plan; and (ii) your spouse is a participant in his or her employer's plan, and (iii) coverage for the affected individual becomes effective or is increased under the other employer's plan.</li> <li>• <b>If you cease to be married</b>, you may decrease your election for the former spouse who loses eligibility. You may enroll in or increase your own election only if you have lost coverage under your former spouse's medical expense plan.</li> </ul>	<ul style="list-style-type: none"> <li>• <b>If you marry</b>, you may enroll in or increase your election to accommodate any newly acquired dependent(s); or decrease or cease coverage if your new spouse is not employed or makes a dependent care reimbursement account coverage election through his or her employer.</li> <li>• <b>If you cease to be married</b>, you may enroll in or increase your election to accommodate your newly-eligible dependent (e.g., due to divorce from non-working spouse); or decrease or cease coverage if eligibility is lost due to an event (e.g., because your dependent now resides with ex-spouse).</li> </ul>
<b>Change In Number of Your Tax Dependents</b> (Birth; death; adoption; and placement for adoption)	<ul style="list-style-type: none"> <li>• <b>If you gain a dependent</b>, you may enroll in or increase your election for the newly acquired dependent.</li> <li>• <b>If you lose a dependent</b>, you may decrease or cease your election for the dependent who loses eligibility.</li> </ul>	Same as Medical Expense Reimbursement Account.
<b>Changes In Employment Status That Affect Eligibility of the employee, the employee's spouse, or the employee's dependent:</b> (Termination or commencement of employment; strike or lockout; commencement of or return from an unpaid leave of absence; and change in worksite)	<ul style="list-style-type: none"> <li>• <b>If you terminate employment or go on an unpaid leave of absence</b>, you may change your election amount, or terminate coverage.*</li> <li>• <b>If you return from unpaid leave of absence</b>, you may start an account or change your election amount.*</li> <li>• <b>If your spouse terminates employment, or goes on an unpaid leave of absence</b>, you may enroll in or increase your election if your spouse or dependent loses eligibility for participation in their employer's medical reimbursement plan.</li> <li>• <b>If your spouse or dependent commences employment or returns from an unpaid leave</b> that triggers a <b>gain in eligibility</b> under his or her employer's plan, you may <b>not</b> drop your Medical Reimbursement Account coverage but you may decrease your election if your spouse or dependent gains eligibility and enrolls in his or her employer's medical reimbursement plan.</li> </ul>	<ul style="list-style-type: none"> <li>• <b>If you terminate employment or go on an unpaid leave of absence</b>, your salary reductions cease but you may continue to request reimbursement for <b>eligible</b> expenses from your account until you exhaust your account balance or the plan year ends even if you have not contributed the full annual amount for which you enrolled.</li> <li>• <b>If you return from unpaid leave</b>, you may start an account or change your election amount.</li> <li>• <b>If your spouse terminates employment, or goes on an unpaid leave of absence</b>, you may cease participation if your spouse's loss of employment renders your dependent ineligible for this benefit.</li> <li>• <b>If your spouse starts employment or returns from unpaid leave</b>, you may start an account or increase your election amount to reflect the new eligibility of your dependent (if your spouse previously did not work). You may also terminate your account if your dependent is added to a dependent care plan offered by your spouse's employer.</li> </ul>
<b>Dependent satisfies or ceases to satisfy eligibility requirements.</b> (Gain or loss of dependent status as defined by IRC Section 152)	<ul style="list-style-type: none"> <li>• <b>If your dependent gains eligibility</b>, you may enroll in or increase your election to take into account the expenses of the affected dependent.</li> <li>• <b>If your dependent ceases to be eligible</b> you may not drop your coverage but you may decrease your election to take into account the ineligibility of the expenses of the affected dependent.</li> </ul>	<ul style="list-style-type: none"> <li>• <b>If your dependent gains eligibility</b>, you may enroll in or increase your election to take into account expenses of affected dependent.</li> <li>• <b>If your dependent ceases to satisfy eligibility requirements</b> (e.g., attains age 13) you may decrease or terminate your election to take into account the expenses only of the affected dependent.</li> </ul>
<b>Change in Place of Residence</b> (Your Own, Your Spouse or Dependent).	No change is permitted.	You may make an election change if a change in place of residence results in a change in the cost or coverage of your dependent care provider.

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Open Enrollment Under Other Employer's Plan.	No change is permitted.	You may make an election change when your spouse or dependent makes an open enrollment change in coverage under their employer's plan if: their employer's plan year is different from your employer's cafeteria plan, their employer's plan permits a mid-plan year election change under this event, <b>and</b> they participate in a dependent care reimbursement account.
Significant Coverage Curtailment	No change is permitted.	If your dependent care provider significantly reduces its available hours, or goes out of business, you may revoke your election and make a new election for coverage with another dependent care provider. You may also make a corresponding election change when you switch dependent care providers. For example, if you send your child to a daycare center, you can switch to another daycare center or provider. If switching dependent care providers results in a cost increase or decrease, you can make a corresponding change to your dependent care election.
Cost Increase or Decrease	No change is permitted.	If the cost charged by your dependent care provider increases or decreases, you may change your elected contribution under the plan. However, if the day care provider is related by blood or marriage, you cannot change your election amount solely on a desire to increase or decrease the amount being paid to that relative.
Certain Judgments, Decrees, or Court Orders	<ul style="list-style-type: none"> <li>If a judgment, decree, or court order from a divorce, legal separation, annulment, or change in legal custody requires that accident or health coverage for your dependent child (including a dependent foster child) be provided by: <ul style="list-style-type: none"> <li><b>you</b>, you may change your medical reimbursement account election to provide the child with corresponding coverage.</li> <li>your <b>spouse, former spouse, or other individual</b>, you may change your medical reimbursement account election to cancel corresponding coverage for the child if the other individual actually provides the coverage.</li> </ul> </li> </ul>	No change is permitted.
Eligibility for Medicare and Medicaid	<ul style="list-style-type: none"> <li>If you, your spouse, or your dependent – <ul style="list-style-type: none"> <li><b>are enrolled in your</b> employer's health or accident benefit plan, and <b>become entitled</b> to and enroll in Medicare or Medicaid (other than coverage solely for pediatric vaccines), then for that individual you may decrease your medical reimbursement account election, if the Medicare/Medicaid coverage is more comprehensive, or increase it if prior employer coverage was more comprehensive.</li> <li><b>lose</b> eligibility for Medicare or Medicaid, then for that individual you may increase your election; or decrease it where the employer plan is more comprehensive.</li> </ul> </li> </ul>	No change is permitted.

\* Refer to the article in this *Employer Bulletin* for further information about coverage during an unpaid leave of absence and termination of employment.